



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

STATE PUBLIC WORKS BOARD

March 26, 2015

MINUTES

PRESENT:

Ms. Eraina Ortega, Chief Deputy Director, Department of Finance
Mr. Esteban Almanza, Acting Director, Department of General Services
Mr. Tom Yowell, Chief Administrative Officer, State Controller's Office
Mr. Timothy J. Schafer, Deputy Treasurer, Public Finance Division, State Treasurer's Office

CALL TO ORDER AND ROLL CALL:

Ms. Eraina Ortega, Chairperson of the Board called the meeting to order at 10:00 a.m.
Ms. Aurelia Bethea, Executive Assistant for the Board, called the roll. A quorum was established.

BOND ITEMS:

The first order of business was five Bond Items related to the Board's spring bond sale. Mr. Rogers informed the Board Bond Items 1 through 5 related to the Board's April bond sale. If approved, the bonds would be priced on April 8th and 9th, and close April 21st. The total estimated Par Amount of the bonds to be issued was \$246 million, and the proceeds would be used to fund the Department of Corrections and Rehabilitation Solano Jail Project, the Judicial Council's Los Banos Courthouse, and refund prior bonds issued by the Board for debt service savings. The three series of refunding bonds would be issued pursuant to the Board's previously adopted refunding policy. The Board will be asked to approve and adopt 5 Resolutions, one for each series of bonds to be issued. These resolutions, if approved and adopted, authorize the issuance and sale of the specified Series of Bonds of the Board for the specified projects or refunding.

Bond Item #1 would authorize the sale and issuance of the 2015 Series A lease revenue bonds for the Department of Corrections and Rehabilitation's Solano Jail project.

Approval and adoption of the Resolution for Bond Item #1 also would approve the form of and authorize the execution of the 131st Supplemental Indenture to the Board's Master Indenture as well as the other forms. The estimated PAR value of the 2015 Series A bonds was \$52.9 million and the estimated True Interest Cost was 2.8%, with a not to exceed PAR of \$64.1 million and a not to exceed True Interest Cost of 4.1%.

Staff recommended approval of Bond Item 1. There were no comments or questions from the Board or the public.

A motion was made by Mr. Schafer and seconded by Mr. Almanza to approve and adopt the Resolution for Bond Item #1, as proposed by staff. Bond Item #1 was approved by a 4-0 vote (Ms. Ortega, Mr. Almanza, Mr. Yowell, and Mr. Scharfer voting aye).

BOND ITEM #2

Bond Item #2 would authorize the sale and issuance of the 2015 Series B lease revenue bonds for the Judicial Council's Los Banos Courthouse in Merced County.

Approval and adoption of the Resolution for Bond Item #2 also approves the form of and authorizes the execution of the 132nd Supplemental Indenture to the Board's Master Indenture as well as the other forms. The estimated PAR value of the 2015 Series B bonds was \$22.4 million and the estimated True Interest Cost is 3.7%, with a not to exceed PAR of \$27.8 million and a not to exceed True Interest Cost of 4.6%.

Staff recommended approval of Bond Item 2. There were no comments or questions from the Board or the public.

A motion was made by Mr. Schafer and seconded by Mr. Yowell to approve and Resolution for Bond Item #2, as proposed by staff. Bond Item #2 was approved by a 4-0 vote (Ms. Ortega, Mr. Almanza, Mr. Scharfer, and Mr. Yowell voting aye).

BOND ITEM #3

Bond Item #3 was for the Department of Corrections and Rehabilitation, Valley State Prison, and would authorize the sale and issuance of the 2015 Series C lease revenue refunding bonds.

Approval and adoption of the Resolution for Bond Item #3 would also approve the form of and authorize the execution of the 133rd Supplemental Indenture to the Board's Master Indenture as well as the other forms. The estimated PAR value of the 2015 Series C bonds was \$45.7 million and the estimated True Interest Cost is 1.2%, with a not to exceed PAR of \$49.7 million and a not to exceed True Interest Cost of 3.6%.

The refunding was expected to result in net present value savings of \$4.5 million, and \$1.2 million in average annual savings over four years. Staff recommended adoption of the resolution. There were no comments or questions from the Board or the public.

Staff recommended approval of Bond Item 3. There were no comments or questions from the Board or the public.

A motion was made by Mr. Schafer and seconded by Mr. Yowell to approve and Resolution for Bond Item #3, as proposed by staff. Bond Item #3 was approved by a 4-0 vote (Ms. Ortega, Mr. Almanza, Mr. Scharfer, and Mr. Yowell voting aye).

BOND ITEM #4

Bond Item #4 was for the Department of Corrections and Rehabilitation, Kern Valley State Prison, and would authorize the sale and issuance of the 2015 Series D lease revenue refunding bonds.

Approval and adoption of the Resolution for Bond Item #4 also approves the form of and authorizes the execution of the 134th Supplemental Indenture to the Board's Master Indenture wherein the 2015D Bonds are designated a Related Series of Bonds to the Board's 2012C refunding bonds, as well as approving the other forms. The estimated PAR value of the 2015 Series D bonds is \$19.8 million and the estimated True Interest Cost is 2.5%, with a not to exceed PAR of \$24.1 million and a not to exceed True Interest Cost of 4.6%.

The refunding was expected to result in net present value savings of \$5.4 million, and \$670,000 in average annual savings over ten years. Staff recommended adoption of the resolution. There were no comments or questions from the Board or the public.

Staff recommended approval of Bond Item #4. There were no comments or questions from the Board or the public.

A motion was made by Mr. Schafer and seconded by Mr. Yowell to approve and Resolution for Bond Item #4, as proposed by staff. Bond Item #4 was approved by a 4-0 vote (Ms. Ortega, Mr. Almanza, Mr. Scharfer, and Mr. Yowell voting aye).

BOND ITEM #5

Bond Item #5 is for the Department of Corrections and Rehabilitation, Centinela and Calipatria State Prisons, and would authorize the sale and issuance of the 2015 Series E refunding bonds.

Approval and adoption of the Resolution for Bond Item #5 would also approve the form of and authorize the execution of the 135th Supplemental Indenture to the Board's Master Indenture as well as the other forms. The estimated PAR value of the 2015 Series E bonds is \$104.9 million and the estimated True Interest Cost is 1.7%, with a not to exceed PAR of \$112.2 million and a not to exceed True Interest Cost of 3.6%.

The refunding was expected to result in net present value savings of \$12.1 million, and \$2.2 million in average annual savings over six years. Staff recommended adoption of the resolution. There were no comments or questions from the Board or the public.

Staff recommended approval of Bond Item 5. There were no comments or questions from the Board or the public.

A motion was made by Mr. Schafer and seconded by Mr. Yowell to approve and Resolution for Bond Item #5, as proposed by staff. Bond Item #5 was approved by a 4-0 vote (Ms. Ortega, Mr. Almanza, Mr. Yowell and Mr. Scharfer voting aye).

Ms. Ortega thanked and excused the Treasurer and Controller representatives.

CONSENT ITEMS:

The Next order of business was the Consent Calendar.

Mr. Rogers informed the Board the Consent Calendar consisted of Consent Item #1.

- For the Department of Corrections and Rehabilitation Solano Jail Project, and is to recognize revised project costs.

Staff recommended approval of the Consent Calendar consisting of Consent Item #1. There were no comments or questions from the Board or the public.

A motion was made by Ms. Ortega and seconded by Mr. Almanza to approve Consent Item #1. The Consent Item was approved by a 2-0 vote (Ms. Ortega and Mr. Almanza voting aye).

NEXT MEETING:

Ms. Ortega stated the next Board meeting is scheduled for Friday, April 10, at 10:00 am in the **State Capitol, Room 112.**

Ms. Ortega asked if there were any comments or questions from the Board or the public. There were none.

The meeting was adjourned at 10:12 a.m.